S-2056.2			

## SUBSTITUTE SENATE BILL 5720

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By Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Keiser, Franklin and McAuliffe)

59th Legislature

2005 Regular Session

READ FIRST TIME 03/02/05.

State of Washington

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- 1 AN ACT Relating to employee noncompetition agreements in the
- 2 broadcasting industry; and adding a new section to chapter 49.44 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- MEW SECTION. Sec. 1. A new section is added to chapter 49.44 RCW to read as follows:
  - (1) If an employee subject to an employee noncompetition agreement is terminated or laid off by action of the employer, the noncompetition agreement is void and unenforceable.
    - (2) Nothing in this section restricts the right of an employer to protect trade secrets or other proprietary information by lawful means in equity or under applicable law.
- 12 (3) Nothing in this section has the effect of terminating, or in 13 any way modifying, any rights or liabilities resulting from an employee 14 noncompetition agreement that was entered into before December 31, 15 2005.
- 16 (4) The definitions in this subsection apply throughout this 17 section unless the context clearly requires otherwise.
- 18 (a) "Employee" means an employee who is employed in the business of

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an employer whether by way of manual labor or otherwise, and also includes professionals licensed, certified, or registered under Title 18 RCW.

- (b) "Employer" means any person, firm, corporation, partnership, business trust, legal representative, or other entity which engages in any business, industry, profession, or activity in this state and employs one or more employees, and includes the state, counties, cities, and all municipal corporations, public corporations, political subdivisions of the state, and charitable organizations.
- (c) "Employee noncompetition agreement" means an agreement, written or oral, express or implied, between an employer and employee under which the employee agrees not to compete, either alone or as an employee of another, with the employer in providing services after termination of employment.
- (d) "Broadcasting industry" means employers that distribute or transmit electronic signals to the public at large using television (VHF or UHF), radio (AM, FM, or satellite), or cable television technologies, or which prepare, develop, or create programs or messages to be transmitted by electronic signal using television, radio, or cable technology.

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